

HOUSE BILL 1464

L3

0lr3207

By: **Delegates Myers, Beitzel, Kelly, Lafferty, Norman, Serafini, Stein, and Stull**

Introduced and read first time: February 26, 2010

Assigned to: Rules and Executive Nominations

Re-referred to: Environmental Matters, March 8, 2010

Committee Report: Favorable

House action: Adopted

Read second time: March 24, 2010

CHAPTER _____

1 AN ACT concerning

2 **Land Bank Authorities – Establishment by Municipal Corporations**

3 FOR the purpose of authorizing a municipal corporation to establish a land bank
4 authority by ordinance; requiring an ordinance establishing an authority to
5 include certain articles of incorporation; requiring certain articles of
6 incorporation to be filed, accepted, and amended in a certain manner;
7 authorizing a municipal corporation creating an authority to take certain
8 actions by ordinance; providing for the disposition of property and obligations of
9 an authority on termination; requiring an ordinance creating an authority to
10 establish and provide for a board of directors; providing that the procedures of a
11 municipal corporation incorporating an authority control in certain
12 circumstances; establishing the powers of an authority; authorizing an
13 authority to delegate certain powers; prohibiting an authority to purchase, own,
14 or sell property located outside of the municipal corporation in which the
15 authority is located; authorizing an authority to employ certain staff and retain
16 certain consultants; authorizing a court to appoint an authority to serve as a
17 certain receiver; requiring an authority to adopt a certain code of ethics;
18 establishing certain policies and procedures, and complying with certain
19 provisions of law; providing an authority with certain immunities; authorizing
20 an authority to take certain actions relating to property held or owned by an
21 authority; requiring property held by an authority to be inventoried and
22 classified in a certain manner; prohibiting a certain register of deeds from
23 charging a certain fee; providing certain tax exemptions for certain properties,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 activities, and principal, interest, and income from bonds; authorizing an
 2 authority to bring a certain civil action; requiring an authority to be made a
 3 party to certain actions; prohibiting a certain proceeding from being held until
 4 certain service of process is made; establishing that property and income of an
 5 authority is for a certain purpose; providing that an authority is subject to
 6 certain zoning laws, permitting processes, and land use controls; requiring an
 7 authority to make a certain annual report in a certain time period; authorizing
 8 an authority to issue certain bonds for certain purposes under certain
 9 circumstances; authorizing an authority to issue certain bond anticipation
 10 notes; authorizing an authority to take certain actions in connection with bonds
 11 issued by an authority; requiring an authority to pass a certain resolution in
 12 connection with each issue of its bonds; authorizing an authority to enter into
 13 certain trust agreements in connection with bonds issued by an authority;
 14 requiring an authority to convey title and release certain collateral under
 15 certain circumstances; authorizing certain persons to bring certain actions;
 16 defining certain terms; providing for the construction of this Act; establishing
 17 that the powers granted in this Act are supplemental to certain other powers;
 18 establishing that this Act does not authorize an authority to exercise certain
 19 powers or impose certain taxes or assessments; and generally relating to land
 20 bank authorities.

21 BY adding to
 22 Article 23A – Corporations – Municipal
 23 Section 52 through 82 to be under the new subtitle “Land Bank Authorities”
 24 Annotated Code of Maryland
 25 (2005 Replacement Volume and 2009 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 27 MARYLAND, That the Laws of Maryland read as follows:

28 **Article 23A – Corporations – Municipal**

29 **LAND BANK AUTHORITIES**

30 **52.**

31 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
 32 **INDICATED.**

33 **(B) “AUTHORITY” MEANS A NONPROFIT OR QUASI-GOVERNMENTAL**
 34 **ENTITY CREATED BY A MUNICIPAL CORPORATION UNDER § 54 OF THIS**
 35 **SUBTITLE.**

36 **(C) “BOARD” MEANS THE BOARD OF DIRECTORS OF AN AUTHORITY.**

1 (III) PLACING A PROJECT IN OPERATION, INCLUDING
2 REASONABLE PROVISIONS FOR WORKING CAPITAL; AND

3 (IV) OPERATING AND MAINTAINING A PROJECT.

4 (F) "FINANCE" INCLUDES REFINANCE.

5 (G) (1) "PROJECT" MEANS ANY ORGANIZED PLAN CARRIED OUT BY
6 AN AUTHORITY IN RELATION TO:

7 (I) ACQUIRING AND REHABILITATING ABANDONED AND
8 DILAPIDATED PROPERTIES; AND

9 (II) MARKETING AND LEASING OR SELLING THE
10 REHABILITATED PROPERTIES.

11 (2) "PROJECT" INCLUDES:

12 (I) ACQUIRING LAND OR AN INTEREST IN LAND;

13 (II) ACQUIRING STRUCTURES, EQUIPMENT, AND
14 FURNISHINGS LOCATED ON A PROPERTY;

15 (III) ACQUIRING PROPERTY THAT IS FUNCTIONALLY
16 RELATED AND SUBORDINATE TO A PROJECT; AND

17 (IV) OBTAINING OR CONTRACTING FOR ANY SERVICES
18 NECESSARY FOR THE REHABILITATION OF A PROPERTY.

19 (H) (1) "REVENUES" MEANS THE INCOME, REVENUE, AND OTHER
20 MONEY AN AUTHORITY RECEIVES FROM OR IN CONNECTION WITH A PROJECT
21 AND ALL OTHER INCOME OF AN AUTHORITY.

22 (2) "REVENUES" INCLUDES GRANTS, RENTALS, RATES, FEES, AND
23 CHARGES.

24 (I) "TAX SALE PROPERTY" MEANS PROPERTY OR AN INTEREST IN
25 PROPERTY SOLD BY THE TAX COLLECTOR OF THE COUNTY IN ACCORDANCE
26 WITH TITLE 14, SUBTITLE 8, PART III OF THE TAX – PROPERTY ARTICLE.

27 (J) (1) "TRUST AGREEMENT" MEANS AN AGREEMENT ENTERED INTO
28 BY AN AUTHORITY TO SECURE A BOND.

1 **(2) “TRUST AGREEMENT” MAY INCLUDE A BOND CONTRACT,**
2 **BOND RESOLUTION, OR OTHER CONTRACT WITH OR FOR THE BENEFIT OF A**
3 **BONDHOLDER.**

4 **53.**

5 **(A) THIS SUBTITLE SHALL BE LIBERALLY CONSTRUED TO ACCOMPLISH**
6 **ITS PURPOSES.**

7 **(B) THE POWERS GRANTED TO AN AUTHORITY UNDER THIS SUBTITLE**
8 **SHALL BE CONSTRUED AS SUPPLEMENTAL AND IN ADDITION TO POWERS**
9 **GRANTED TO AN AUTHORITY UNDER ANY STATE OR LOCAL LAW.**

10 **(C) THIS SUBTITLE DOES NOT AUTHORIZE AN AUTHORITY TO:**

11 **(1) EXERCISE THE POWER OF EMINENT DOMAIN; OR**

12 **(2) LEVY ANY TAX OR SPECIAL ASSESSMENT.**

13 **54.**

14 **(A) BY ORDINANCE, THE LEGISLATIVE BODY OF A MUNICIPAL**
15 **CORPORATION MAY ESTABLISH A LAND BANK AUTHORITY IN ACCORDANCE WITH**
16 **THIS SUBTITLE.**

17 **(B) AN ORDINANCE ADOPTED UNDER SUBSECTION (A) OF THIS SECTION**
18 **SHALL INCLUDE PROPOSED ARTICLES OF INCORPORATION OF AN AUTHORITY**
19 **THAT STATE:**

20 **(1) THE NAME OF THE AUTHORITY, WHICH SHALL BE “LAND**
21 **BANK AUTHORITY OF (NAME OF THE INCORPORATING MUNICIPAL**
22 **CORPORATION)”;**

23 **(2) THAT THE AUTHORITY IS FORMED UNDER THIS SUBTITLE;**

24 **(3) THE NAMES, ADDRESSES, AND TERMS OF OFFICE OF THE**
25 **INITIAL MEMBERS OF THE BOARD OF DIRECTORS OF THE AUTHORITY;**

26 **(4) THE ADDRESS OF THE PRINCIPAL OFFICE OF THE AUTHORITY;**

27 **(5) THE PURPOSES FOR WHICH THE AUTHORITY IS FORMED; AND**

28 **(6) THE POWERS OF THE AUTHORITY SUBJECT TO THE**
29 **LIMITATIONS ON THE POWERS OF AN AUTHORITY UNDER THIS SUBTITLE.**

1 **(C) (1) THE CHIEF EXECUTIVE OF THE INCORPORATING MUNICIPAL**
2 **CORPORATION, OR ANY OTHER OFFICIAL DESIGNATED IN THE ORDINANCE**
3 **ESTABLISHING AN AUTHORITY, SHALL EXECUTE AND FILE THE ARTICLES OF**
4 **INCORPORATION OF THE AUTHORITY FOR RECORDATION WITH THE STATE**
5 **DEPARTMENT OF ASSESSMENTS AND TAXATION.**

6 **(2) WHEN THE STATE DEPARTMENT OF ASSESSMENTS AND**
7 **TAXATION ACCEPTS THE ARTICLES OF INCORPORATION FOR RECORDATION,**
8 **THE AUTHORITY BECOMES A BODY POLITIC AND CORPORATE AND AN**
9 **INSTRUMENTALITY OF THE INCORPORATING MUNICIPAL CORPORATION.**

10 **(3) ACCEPTANCE OF THE ARTICLES OF INCORPORATION FOR**
11 **RECORDATION BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION**
12 **IS CONCLUSIVE EVIDENCE OF THE FORMATION OF THE AUTHORITY.**

13 **(D) (1) BY ORDINANCE, THE LEGISLATIVE BODY OF THE**
14 **INCORPORATING MUNICIPAL CORPORATION MAY ADOPT AN AMENDMENT TO**
15 **THE ARTICLES OF INCORPORATION OF AN AUTHORITY.**

16 **(2) ARTICLES OF AMENDMENT MAY CONTAIN ANY PROVISION**
17 **THAT LAWFULLY COULD BE CONTAINED IN ARTICLES OF INCORPORATION AT**
18 **THE TIME OF THE AMENDMENT.**

19 **(3) THE ARTICLES OF AMENDMENT SHALL BE FILED FOR**
20 **RECORDATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND**
21 **TAXATION.**

22 **(4) THE ARTICLES OF AMENDMENT ARE EFFECTIVE AS OF THE**
23 **TIME THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION ACCEPTS THE**
24 **ARTICLES FOR RECORDATION.**

25 **(5) ACCEPTANCE OF THE ARTICLES OF AMENDMENT FOR**
26 **RECORDATION BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION**
27 **IS CONCLUSIVE EVIDENCE THAT THE ARTICLES HAVE BEEN LAWFULLY AND**
28 **PROPERLY ADOPTED.**

29 **(E) (1) SUBJECT TO THE PROVISIONS OF THIS SECTION AND ANY**
30 **LIMITATIONS IMPOSED BY LAW ON THE IMPAIRMENT OF CONTRACTS, THE**
31 **INCORPORATING MUNICIPAL CORPORATION, IN ITS SOLE DISCRETION, BY**
32 **ORDINANCE MAY:**

33 **(I) SET OR CHANGE THE STRUCTURE, ORGANIZATION,**
34 **PROCEDURES, PROGRAMS, OR ACTIVITIES OF AN AUTHORITY; OR**

1 **(II) TERMINATE THE AUTHORITY.**

2 **(2) ON TERMINATION OF THE AUTHORITY:**

3 **(I) TITLE TO ALL PROPERTY OF THE AUTHORITY SHALL BE**
4 **TRANSFERRED TO AND SHALL VEST IN THE INCORPORATING MUNICIPAL**
5 **CORPORATION; AND**

6 **(II) ALL OBLIGATIONS OF THE AUTHORITY SHALL BE**
7 **TRANSFERRED TO AND ASSUMED BY THE INCORPORATING MUNICIPAL**
8 **CORPORATION.**

9 **55.**

10 **AN ORDINANCE THAT CREATES A LAND BANK AUTHORITY SHALL**
11 **ESTABLISH A BOARD OF DIRECTORS TO GOVERN AN AUTHORITY AND SHALL**
12 **INCLUDE PROVISIONS FOR:**

13 **(1) APPOINTMENT PROCEDURES;**

14 **(2) TERM LENGTHS;**

15 **(3) REMOVAL PROCEDURES;**

16 **(4) THE ELECTION OF A CHAIR; AND**

17 **(5) POWERS OF THE BOARD.**

18 **56.**

19 **(A) EXCEPT AS LIMITED BY THE AUTHORITY'S ARTICLES OF**
20 **INCORPORATION, AN AUTHORITY HAS ALL THE POWERS SET FORTH IN THIS**
21 **SUBTITLE.**

22 **(B) AN AUTHORITY MAY:**

23 **(1) ADOPT BYLAWS FOR THE CONDUCT OF BUSINESS OF THE**
24 **AUTHORITY;**

25 **(2) SUE AND BE SUED;**

26 **(3) MAINTAIN AN OFFICE AT A PLACE THE AUTHORITY**
27 **DESIGNATES;**

1 **(4) BORROW MONEY;**

2 **(5) ISSUE BONDS AND OTHER OBLIGATIONS FOR ANY CORPORATE**
3 **PURPOSE IN ACCORDANCE WITH THIS SUBTITLE OR AN ORDINANCE ADOPTED**
4 **UNDER THIS SUBTITLE;**

5 **(6) INVEST MONEY OF THE AUTHORITY IN INSTRUMENTS,**
6 **OBLIGATIONS, SECURITIES, OR PROPERTY;**

7 **(7) ENTER INTO CONTRACTS AND EXECUTE THE INSTRUMENTS**
8 **OR AGREEMENTS NECESSARY OR CONVENIENT TO CARRY OUT THIS SUBTITLE**
9 **OR AN ORDINANCE ADOPTED UNDER THIS SUBTITLE TO ACCOMPLISH THE**
10 **PURPOSES OF THE AUTHORITY;**

11 **(8) SOLICIT AND ACCEPT GIFTS, GRANTS, LOANS, OR OTHER**
12 **ASSISTANCE IN ANY FORM FROM ANY PUBLIC OR PRIVATE SOURCE, SUBJECT TO**
13 **THE PROVISIONS OF THIS SUBTITLE OR ANY ORDINANCE ADOPTED UNDER THIS**
14 **SUBTITLE;**

15 **(9) PARTICIPATE IN ANY WAY IN A PROGRAM OF THE FEDERAL**
16 **GOVERNMENT, THE STATE, A POLITICAL SUBDIVISION OF THE STATE, OR AN**
17 **INTERGOVERNMENTAL ENTITY CREATED UNDER THE LAWS OF THE STATE;**

18 **(10) CONTRACT FOR GOODS AND SERVICES;**

19 **(11) STUDY, DEVELOP, AND PREPARE REPORTS OR PLANS TO**
20 **ASSIST IN THE AUTHORITY'S EXERCISE OF POWERS AND TO MONITOR AND**
21 **EVALUATE THE AUTHORITY'S PROGRESS;**

22 **(12) CONTRACT WITH PUBLIC OR PRIVATE ENTITIES FOR THE**
23 **PROVISION OF SERVICES NECESSARY FOR THE MANAGEMENT AND OPERATION**
24 **OF THE AUTHORITY;**

25 **(13) PROVIDE ACQUISITION, MANAGEMENT, AND SALE SERVICES**
26 **TO A MUNICIPAL CORPORATION FOR PROPERTY OWNED BY THE MUNICIPAL**
27 **CORPORATION;**

28 **(14) CREATE, OWN, CONTROL, OR BE A MEMBER OF A**
29 **CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER**
30 **PERSON, WHETHER OPERATED FOR PROFIT OR NOT FOR PROFIT, FOR THE**
31 **PURPOSES OF DEVELOPING PROPERTY IN ORDER TO MAXIMIZE**
32 **MARKETABILITY;**

1 **(15) EXERCISE A POWER USUALLY POSSESSED BY A PRIVATE**
2 **CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD**
3 **CONFLICT WITH STATE LAW; AND**

4 **(16) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT**
5 **THE POWERS EXPRESSLY GRANTED BY THIS SUBTITLE OR BY AN ORDINANCE**
6 **ADOPTED UNDER THIS SUBTITLE.**

7 **(C) AN AUTHORITY MAY DELEGATE TO A MEMBER OR OFFICER A POWER**
8 **GRANTED TO THE AUTHORITY BY THIS SUBTITLE, INCLUDING THE POWER TO**
9 **EXECUTE A BOND, OBLIGATION, CERTIFICATE, DEED, LEASE, MORTGAGE**
10 **AGREEMENT, OR OTHER DOCUMENT OR INSTRUMENT.**

11 **57.**

12 **(A) AN AUTHORITY MAY:**

13 **(1) ACQUIRE, DIRECTLY OR THROUGH A PERSON OR**
14 **GOVERNMENTAL ENTITY, BY GIFT, DEVISE, TRANSFER, EXCHANGE,**
15 **FORECLOSURE, PURCHASE, OR OTHERWISE ON TERMS AND CONDITIONS AND IN**
16 **A MANNER THE AUTHORITY CONSIDERS PROPER, REAL PROPERTY OR RIGHTS**
17 **OR INTERESTS IN REAL PROPERTY;**

18 **(2) OWN IN THE AUTHORITY'S NAME PROPERTY ACQUIRED BY OR**
19 **CONVEYED TO THE AUTHORITY BY THE STATE, A LOCAL GOVERNMENT, AN**
20 **INTERGOVERNMENTAL AGENCY CREATED UNDER THE LAWS OF THIS STATE, OR**
21 **ANY OTHER PUBLIC OR PRIVATE PERSON, INCLUDING TAX FORECLOSED**
22 **PROPERTY AND PROPERTY WITHOUT CLEAR TITLE;**

23 **(3) SELL, LEASE AS LESSOR, TRANSFER, AND DISPOSE OF THE**
24 **AUTHORITY'S PROPERTY OR INTEREST IN PROPERTY;**

25 **(4) PROCURE INSURANCE AGAINST LOSS IN CONNECTION WITH**
26 **THE PROPERTY, ASSETS, OR ACTIVITIES OF THE AUTHORITY; AND**

27 **(5) EXECUTE DEEDS, MORTGAGES, CONTRACTS, LEASES,**
28 **PURCHASES, OR OTHER AGREEMENTS REGARDING THE PROPERTY OF THE**
29 **AUTHORITY.**

30 **(B) PROPERTY PURCHASED, OWNED, OR SOLD UNDER THIS SECTION**
31 **MAY NOT BE LOCATED OUTSIDE THE MUNICIPAL CORPORATION IN WHICH THE**
32 **AUTHORITY IS LOCATED.**

33 **58.**

1 AN AUTHORITY MAY EMPLOY STAFF AND RETAIN CONSULTANTS AS
2 EMPLOYEES OR AGENTS THAT THE AUTHORITY CONSIDERS NECESSARY, AND
3 SET THEIR COMPENSATION.

4 **59.**

5 THE COURT MAY APPOINT AN AUTHORITY TO SERVE AS A RECEIVER IN A
6 RECEIVERSHIP PROCEEDING FILED BY A MUNICIPAL CORPORATION.

7 **60.**

8 (A) AN AUTHORITY SHALL:

9 (1) ADOPT A CODE OF ETHICS FOR THE AUTHORITY'S DIRECTORS,
10 OFFICERS, AND EMPLOYEES;

11 (2) ESTABLISH POLICIES AND PROCEDURES REQUIRING THE
12 DISCLOSURE OF RELATIONSHIPS THAT MAY GIVE RISE TO A CONFLICT OF
13 INTEREST, AND REQUIRING THAT ANY MEMBER OF THE BOARD WITH A DIRECT
14 OR INDIRECT INTEREST IN A MATTER BEFORE THE AUTHORITY DISCLOSE THE
15 MEMBER'S INTEREST TO THE BOARD BEFORE THE BOARD TAKES ANY ACTION
16 ON THE MATTER; AND

17 (3) COMPLY WITH THE STATE OPEN MEETINGS ACT UNDER
18 TITLE 10, SUBTITLE 5 OF THE STATE GOVERNMENT ARTICLE.

19 (B) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE OR THE
20 ORDINANCE ESTABLISHING AN AUTHORITY, THE PROCEDURES OF THE
21 INCORPORATING MUNICIPAL CORPORATION CONTROL ANY MATTER RELATING
22 TO THE INTERNAL ADMINISTRATION OF AN AUTHORITY.

23 **61.**

24 AN AUTHORITY MAY HAVE THE SAME IMMUNITIES AS A MUNICIPAL
25 CORPORATION.

26 **62.**

27 (A) WITH RESPECT TO PROPERTY HELD OR OWNED BY THE AUTHORITY,
28 THE AUTHORITY MAY:

29 (1) GRANT OR ACQUIRE A LICENSE, EASEMENT, OR OPTION;

1 **(2) FIX, CHARGE, AND COLLECT RENTS, FEES, AND CHARGES FOR**
2 **USE OF THE PROPERTY;**

3 **(3) PAY TAXES OR SPECIAL ASSESSMENTS DUE;**

4 **(4) TAKE ANY ACTION, PROVIDE ANY NOTICE, OR INSTITUTE ANY**
5 **PROCEEDING REQUIRED TO CLEAR OR QUIET TITLE IN ORDER TO ESTABLISH**
6 **OWNERSHIP BY AND VEST TITLE TO PROPERTY IN THE AUTHORITY;**

7 **(5) ABATE VIOLATIONS OF THE LOCAL AND STATE BUILDING,**
8 **FIRE, HEALTH, AND RELATED CODES; AND**

9 **(6) HOLD, MANAGE, MAINTAIN, OPERATE, REPAIR, LEASE AS**
10 **LESSOR, SECURE, PREVENT THE WASTE OR DETERIORATION OF, DEMOLISH,**
11 **AND TAKE ALL OTHER ACTIONS NECESSARY TO PRESERVE THE VALUE OF THE**
12 **PROPERTY IT OWNS OR HOLDS.**

13 **(B) AN AUTHORITY SHALL BE MADE A PARTY TO, AND SHALL DEFEND**
14 **ANY ACTION OR PROCEEDING CONCERNING, CLAIMS AGAINST PROPERTY HELD**
15 **BY THE AUTHORITY.**

16 **63.**

17 **(A) PROPERTY HELD BY AN AUTHORITY SHALL BE INVENTORIED AND**
18 **CLASSIFIED ACCORDING TO TITLE STATUS AND SUITABILITY FOR USE.**

19 **(B) A REGISTER OF DEEDS IN A COUNTY IN WHICH PROPERTY OWNED**
20 **BY AN AUTHORITY IS LOCATED MAY NOT CHARGE A FEE TO RECORD A**
21 **DOCUMENT EVIDENCING THE TRANSFER UNDER THIS SUBTITLE OF PROPERTY**
22 **TO THE AUTHORITY BY THE STATE OR A MUNICIPAL CORPORATION.**

23 **64.**

24 **(A) FOLLOWING AN UNSUCCESSFUL ATTEMPT ON THE PART OF THE**
25 **MUNICIPAL CORPORATION TO COLLECT OUTSTANDING LIENS AT TAX SALE AND**
26 **SUBJECT TO THE APPROVAL OF THE LOCAL TAX COLLECTING UNIT OF THE**
27 **JURISDICTION WHERE THE PROPERTY IS LOCATED, AN AUTHORITY MAY ACCEPT**
28 **FROM A PERSON WITH AN INTEREST IN A PARCEL OF TAX DELINQUENT**
29 **PROPERTY OR TAX SALE PROPERTY A DEED OR ASSIGNMENT CONVEYING THAT**
30 **PERSON'S INTEREST IN THE PROPERTY INSTEAD OF:**

31 **(1) THE FORECLOSURE OR SALE OF THE PROPERTY FOR**
32 **DELINQUENT TAXES, PENALTIES, AND INTEREST, AS DEFINED BY § 14-801(C) OF**
33 **THE TAX – PROPERTY ARTICLE; OR**

1 **(2) DELINQUENT SPECIFIC TAXES IMPOSED BY A LOCAL TAXING**
2 **JURISDICTION.**

3 **(B) EXCEPT AS OTHERWISE PROVIDED BY LAW, CONVEYANCE OF**
4 **PROPERTY BY DEED INSTEAD OF FORECLOSURE UNDER THIS SECTION MAY NOT**
5 **AFFECT OR IMPAIR ANY OTHER LIEN AGAINST THE PROPERTY OR ANY EXISTING**
6 **RECORDED OR UNRECORDED INTEREST IN THE PROPERTY, INCLUDING:**

7 **(1) FUTURE INSTALLMENTS OF SPECIAL ASSESSMENTS;**

8 **(2) LIENS RECORDED BY THE STATE;**

9 **(3) EASEMENTS OR RIGHTS-OF-WAY;**

10 **(4) PRIVATE DEED RESTRICTIONS;**

11 **(5) SECURITY INTERESTS AND MORTGAGES; OR**

12 **(6) TAX LIENS OF OTHER TAXING JURISDICTIONS THAT DO NOT**
13 **CONSENT TO A RELEASE OF THEIR LIENS.**

14 **(C) A TAX LIEN AGAINST PROPERTY HELD BY OR UNDER THE CONTROL**
15 **OF AN AUTHORITY MAY BE RELEASED OR ABATED AT ANY TIME BY ONE OR MORE**
16 **OF THE FOLLOWING:**

17 **(1) A COUNTY OR MUNICIPAL CORPORATION WITH RESPECT TO A**
18 **LIEN HELD BY THE COUNTY OR MUNICIPAL CORPORATION;**

19 **(2) THE GOVERNING BODY OF ANY TAXING JURISDICTION OTHER**
20 **THAN THE STATE, COUNTY, OR MUNICIPAL CORPORATION WITH RESPECT TO A**
21 **LIEN HELD BY THE TAXING JURISDICTION;**

22 **(3) A PUBLIC WATER OR SEWER AUTHORITY WITH RESPECT TO A**
23 **TAX LIEN OR RIGHT TO COLLECT A TAX HELD BY THE PUBLIC WATER OR SEWER**
24 **AUTHORITY; OR**

25 **(4) THE STATE COMPTROLLER WITH RESPECT TO A STATE TAX**
26 **LIEN.**

27 **65.**

28 **(A) MONEY RECEIVED BY AN AUTHORITY AS PAYMENT OF TAXES,**
29 **PENALTIES, OR INTEREST, OR FROM THE REDEMPTION OR SALE OF PROPERTY**

1 SUBJECT TO A TAX LIEN OF ANY TAXING UNIT SHALL BE RETURNED TO THE
2 LOCAL TAX COLLECTING UNIT IN THE JURISDICTION WHERE THE PROPERTY IS
3 LOCATED FOR DISTRIBUTION ON A PRO RATA BASIS TO THE APPROPRIATE
4 TAXING UNITS IN AN AMOUNT EQUAL TO DELINQUENT TAXES, PENALTIES, AND
5 INTEREST OWED ON THE PROPERTY.

6 (B) PROCEEDS RECEIVED BY AN AUTHORITY MAY BE RETAINED BY THE
7 AUTHORITY FOR THE PURPOSES OF THIS SUBTITLE, UNLESS OTHERWISE
8 DESIGNATED BY:

9 (1) THIS SUBTITLE;

10 (2) THE PROVISIONS OF A DEED;

11 (3) ANY OTHER LAW; OR

12 (4) AN AGREEMENT OF THE AUTHORITY.

13 **66.**

14 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, AN
15 AUTHORITY IS EXEMPT FROM ANY REQUIREMENT TO PAY STATE OR LOCAL
16 TAXES OR ASSESSMENTS ON THE AUTHORITY'S PROPERTIES, ACTIVITIES, OR
17 ANY REVENUE FROM THE PROPERTIES OR ACTIVITIES.

18 (B) PROPERTY THAT AN AUTHORITY SELLS OR LEASES TO A PRIVATE
19 ENTITY IS SUBJECT TO STATE AND LOCAL PROPERTY TAXES FROM THE TIME OF
20 THE SALE OR LEASE.

21 (C) THE PRINCIPAL OF AND INTEREST ON BONDS, THE TRANSFER OF
22 BONDS, AND ANY INCOME DERIVED FROM THE BONDS, INCLUDING PROFITS
23 MADE ON THEIR SALE OR TRANSFER, ARE FOREVER EXEMPT FROM ALL STATE
24 AND LOCAL TAXES.

25 **67.**

26 (A) AN AUTHORITY MAY BRING A CIVIL ACTION TO PREVENT, RESTRAIN,
27 OR ENJOIN THE WASTE OF OR UNLAWFUL REMOVAL OF ANY PROPERTY FROM
28 REAL PROPERTY HELD BY THE AUTHORITY.

29 (B) (1) AN AUTHORITY SHALL BE MADE A PARTY TO ANY ACTION OR
30 PROCEEDING INSTITUTED FOR THE PURPOSE OF SETTING ASIDE TITLE TO
31 PROPERTY HELD BY THE AUTHORITY OR FOR THE SALE OF PROPERTY BY THE
32 AUTHORITY.

1 **(2) A HEARING IN ANY SUCH PROCEEDING MAY NOT BE HELD**
2 **UNTIL THE AUTHORITY IS SERVED IN ACCORDANCE WITH THE MARYLAND**
3 **RULES.**

4 **68.**

5 **(A) PROPERTY OF AN AUTHORITY IS PUBLIC PROPERTY DEVOTED TO AN**
6 **ESSENTIAL PUBLIC AND GOVERNMENTAL FUNCTION AND PURPOSE.**

7 **(B) INCOME OF AN AUTHORITY IS CONSIDERED TO BE FOR A PUBLIC**
8 **AND GOVERNMENTAL PURPOSE.**

9 **69.**

10 **AN AUTHORITY IS SUBJECT TO ANY LOCAL:**

11 **(1) ZONING LAWS;**

12 **(2) PERMITTING PROCESSES FOR CONSTRUCTION, DEMOLITION,**
13 **OR REPAIR OF A PROPERTY; AND**

14 **(3) LAND USE CONTROLS.**

15 **70.**

16 **AN AUTHORITY SHALL REPORT ANNUALLY TO THE MUNICIPAL**
17 **CORPORATION WHERE THE AUTHORITY IS LOCATED AND, IN ACCORDANCE WITH**
18 **§ 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON**
19 **THE ACTIVITIES OF THE AUTHORITY.**

20 **71.**

21 **(A) (1) AN AUTHORITY MAY PERIODICALLY:**

22 **(I) ISSUE BONDS TO PAY ALL OR PART OF THE COST OF**
23 **ACQUIRING OR IMPROVING PROPERTY;**

24 **(II) FUND OR REFUND THOSE BONDS;**

25 **(III) PURCHASE BONDS WITH ANY FUNDS AVAILABLE; AND**

26 **(IV) HOLD, PLEDGE, CANCEL, OR RESELL BONDS.**

1 **(2) BY RESOLUTION, AN AUTHORITY MAY AUTHORIZE THE CHAIR,**
2 **ONE OF THE AUTHORITY'S MEMBERS, OR A COMMITTEE OF THE MEMBERS TO**
3 **DETERMINE OR PROVIDE FOR ANY MATTERS RELATING TO BONDS THAT THE**
4 **AUTHORITY CONSIDERS APPROPRIATE, INCLUDING:**

5 **(I) SPECIFYING, DETERMINING, PRESCRIBING, AND**
6 **APPROVING MATTERS, DOCUMENTS, AND PROCEDURES THAT RELATE TO THE**
7 **AUTHORIZATION, SALE, SECURITY, ISSUANCE, DELIVERY, AND PAYMENT OF AND**
8 **FOR THE BONDS;**

9 **(II) CREATING SECURITY FOR THE BONDS;**

10 **(III) PROVIDING FOR THE ADMINISTRATION OF BOND**
11 **ISSUES; AND**

12 **(IV) TAKING OTHER ACTIONS IT CONSIDERS APPROPRIATE**
13 **CONCERNING THE BONDS.**

14 **(3) THE POWER GRANTED IN PARAGRAPH (2) OF THIS**
15 **SUBSECTION IS IN ADDITION TO POWERS CONFERRED ON THE AUTHORITY BY**
16 **THIS SUBTITLE AND DOES NOT LIMIT ANY POWER OF THE AUTHORITY UNDER**
17 **THIS SUBTITLE.**

18 **(4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,**
19 **THE AUTHORITY MAY AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE ANY OF**
20 **THE ACTIONS DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION.**

21 **(II) IF THE AUTHORITY AUTHORIZES THE EXECUTIVE**
22 **DIRECTOR TO TAKE ANY OF THE ACTIONS DESCRIBED IN PARAGRAPH (2) OF**
23 **THIS SUBSECTION, THE AUTHORITY SHALL PRESCRIBE LIMITS WITHIN WHICH**
24 **THE EXECUTIVE DIRECTOR MAY EXERCISE DISCRETION.**

25 **(B) AN AUTHORITY MAY ISSUE THE BONDS AT ONE TIME OR IN ONE OR**
26 **MORE SERIES FROM TIME TO TIME.**

27 **(C) FOR EACH ISSUE OF AN AUTHORITY'S BONDS, THE AUTHORITY**
28 **SHALL PASS A RESOLUTION THAT:**

29 **(1) SPECIFIES AND DESCRIBES THE PROJECT FOR WHICH THE**
30 **PROCEEDS OF THE BOND ISSUANCE ARE INTENDED;**

31 **(2) GENERALLY DESCRIBES THE PUBLIC PURPOSE AND THE**
32 **FINANCING TRANSACTION TO BE ACCOMPLISHED;**

1 **(3) SPECIFIES THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS**
2 **THAT MAY BE ISSUED BY THE AUTHORITY; AND**

3 **(4) IMPOSES ANY TERMS OR CONDITIONS ON THE ISSUANCE AND**
4 **SALE OF THE BONDS THAT THE AUTHORITY CONSIDERS APPROPRIATE.**

5 **(D) SUBJECT TO ANY PROVISIONS FOR THEIR REGISTRATION, BONDS**
6 **ARE NEGOTIABLE INSTRUMENTS FOR ALL PURPOSES REGARDLESS OF**
7 **WHETHER THEY ARE PAYABLE FROM A SPECIAL FUND.**

8 **(E) (1) THE BONDS MAY BE:**

9 **(I) SERIAL BONDS;**

10 **(II) TERM BONDS; OR**

11 **(III) BOTH IN THE DISCRETION OF THE AUTHORITY.**

12 **(2) SUBJECT TO ANY DELEGATION UNDER SUBSECTION (A)(2) OF**
13 **THIS SECTION, THE RESOLUTION AUTHORIZING BONDS MAY PROVIDE:**

14 **(I) THE DATES OF THE BONDS;**

15 **(II) THE MATURITY DATES OF THE BONDS;**

16 **(III) THE INTEREST RATES ON THE BONDS;**

17 **(IV) THE TIME AT WHICH THE BONDS WILL BE PAYABLE;**

18 **(V) THE DENOMINATIONS OF THE BONDS;**

19 **(VI) WHETHER THE BONDS WILL BE IN COUPON OR**
20 **REGISTERED FORM;**

21 **(VII) ANY REGISTRATION PRIVILEGES OF THE BONDS;**

22 **(VIII) THE MANNER OF EXECUTION OF THE BONDS;**

23 **(IX) THE PLACE AT WHICH THE BONDS WILL BE PAYABLE;**

24 **AND**

25 **(X) ANY TERMS OF REDEMPTION OF THE BONDS.**

1 **(3) THE BONDS SHALL MATURE WITHIN A PERIOD NOT TO**
2 **EXCEED 50 YEARS AFTER THE DATE OF ISSUE.**

3 **(4) THE BONDS SHALL BE PAYABLE IN UNITED STATES**
4 **CURRENCY.**

5 **(F) (1) AN AUTHORITY SHALL SELL THE BONDS AT COMPETITIVE OR**
6 **NEGOTIATED SALE IN A MANNER AND FOR A PRICE THE AUTHORITY**
7 **DETERMINES TO BE IN THE AUTHORITY'S BEST INTERESTS.**

8 **(2) BONDS ARE EXEMPT FROM §§ 8-206 AND 8-208 OF THE**
9 **STATE FINANCE AND PROCUREMENT ARTICLE.**

10 **(G) AN OFFICER'S SIGNATURE OR FACSIMILE ON A BOND REMAINS**
11 **VALID EVEN IF THE OFFICER LEAVES OFFICE BEFORE THE BOND IS DELIVERED.**

12 **(H) PENDING PREPARATION OF THE DEFINITIVE BONDS, AN AUTHORITY**
13 **MAY ISSUE INTERIM RECEIPTS OR CERTIFICATES THAT WILL BE EXCHANGED**
14 **FOR DEFINITIVE BONDS.**

15 **(I) (1) A TRUST AGREEMENT AUTHORIZING BONDS MAY CONTAIN**
16 **PROVISIONS THAT ARE PART OF THE CONTRACT WITH THE BONDHOLDERS.**

17 **(2) THE PROVISIONS MAY INCLUDE:**

18 **(I) PLEDGING THE FOLLOWING TO SECURE PAYMENT OF**
19 **BONDS, SUBJECT TO ANY EXISTING AGREEMENTS WITH BONDHOLDERS:**

20 1. **THE FULL FAITH AND CREDIT OF AN AUTHORITY;**
21 2. **REVENUES OF A PROJECT;**
22 3. **A REVENUE-PRODUCING CONTRACT THE**
23 **AUTHORITY HAS MADE WITH A PERSON OR PUBLIC ENTITY; OR**

24 4. **THE PROCEEDS OF THE SALE OF BONDS;**

25 **(II) THE RATES, RENTALS, FEES, AND OTHER CHARGES, THE**
26 **AMOUNTS TO BE RAISED IN EACH YEAR, AND THE USE AND DISPOSITION OF THE**
27 **REVENUES;**

28 **(III) SETTING ASIDE OF RESERVES AND SINKING FUNDS AND**
29 **THEIR DISPOSITION;**

1 (IV) LIMITS ON THE RIGHT OF THE AUTHORITY OR THE
2 AUTHORITY'S AGENTS TO RESTRICT AND REGULATE THE USE OF A PROJECT;

3 (V) LIMITS ON THE PURPOSE TO WHICH THE PROCEEDS OF
4 SALE OF BONDS MAY BE APPLIED;

5 (VI) LIMITS ON ISSUING ADDITIONAL BONDS AND
6 REFUNDING BONDS AND THE TERMS UNDER WHICH ADDITIONAL BONDS MAY BE
7 ISSUED AND SECURED;

8 (VII) THE PROCEDURE TO AMEND OR ABROGATE THE TERMS
9 OF A CONTRACT WITH BONDHOLDERS AND THE REQUIREMENTS FOR CONSENT;

10 (VIII) LIMITS ON THE AMOUNT OF PROJECT REVENUES TO BE
11 EXPENDED FOR OPERATING, ADMINISTRATIVE, OR OTHER EXPENSES OF THE
12 AUTHORITY;

13 (IX) THE ACTS OR OMISSIONS THAT CONSTITUTE DEFAULT
14 BY THE AUTHORITY AND THE RIGHTS AND REMEDIES OF THE BONDHOLDERS IN
15 THE EVENT OF A DEFAULT;

16 (X) THE CONVEYANCE OR MORTGAGING OF A PROJECT AND
17 ITS SITE TO SECURE THE BONDHOLDERS; AND

18 (XI) CREATION AND DISPOSITION OF A COLLATERAL FUND
19 FOR THE PURPOSE OF SECURING THE BONDHOLDERS.

20 (J) THE MEMBERS OF AN AUTHORITY AND A PERSON EXECUTING THE
21 BONDS MAY NOT BE HELD LIABLE PERSONALLY ON THE BONDS.

22 **72.**

23 (A) THE CORPORATE TRUSTEE UNDER A TRUST AGREEMENT MAY BE A
24 TRUST COMPANY OR BANK THAT HAS THE POWERS OF A TRUST COMPANY IN OR
25 OUTSIDE THE STATE.

26 (B) AN EXPENSE INCURRED IN CARRYING OUT THE TRUST AGREEMENT
27 OR A RESOLUTION MAY BE TREATED AS PART OF THE COST OF THE OPERATION
28 OF A PROJECT.

29 **73.**

30 NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, IN A
31 PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF A BOND OR

1 THE SECURITY FOR A BOND, THE DETERMINATION OF AN AUTHORITY UNDER
2 THIS SUBTITLE IS CONCLUSIVE AND BINDING.

3 74.

4 BONDS ARE SECURITIES:

5 (1) IN WHICH ANY OF THE FOLLOWING PERSONS MAY LEGALLY
6 AND PROPERLY INVEST MONEY, INCLUDING CAPITAL THAT THE PERSON OWNS
7 OR CONTROLS:

8 (I) AN OFFICER OR A UNIT OF THE STATE OR A POLITICAL
9 SUBDIVISION;

10 (II) A BANK, A TRUST COMPANY, A SAVINGS AND LOAN
11 ASSOCIATION, AN INVESTMENT COMPANY, OR ANY OTHER PERSON CONDUCTING
12 A BANKING BUSINESS;

13 (III) AN INSURANCE COMPANY, INSURANCE ASSOCIATION,
14 OR ANY OTHER PERSON CONDUCTING AN INSURANCE BUSINESS;

15 (IV) A PERSONAL REPRESENTATIVE, GUARDIAN, TRUSTEE,
16 OR ANY OTHER FIDUCIARY; AND

17 (V) ANY OTHER PERSON; AND

18 (2) THAT MAY BE DEPOSITED WITH AND RECEIVED BY A UNIT OF
19 THE STATE OR A POLITICAL SUBDIVISION OF THE STATE FOR ANY PURPOSE FOR
20 WHICH THE DEPOSIT OF BONDS OR OBLIGATIONS OF THE STATE IS AUTHORIZED
21 BY LAW.

22 75.

23 (A) A BOND IS NOT:

24 (1) A DEBT OR LIABILITY OF THE STATE OR A POLITICAL
25 SUBDIVISION OF THE STATE; OR

26 (2) A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR A
27 POLITICAL SUBDIVISION OF THE STATE.

28 (B) EACH BOND SHALL STATE ON THE FACE OF THE BOND THAT
29 NEITHER THE STATE NOR A POLITICAL SUBDIVISION OF THE STATE IS OBLIGED

1 TO PAY THE PRINCIPAL OF OR INTEREST ON THE BOND EXCEPT FROM
2 REVENUES PLEDGED TO THE PAYMENT OF THE BOND.

3 (C) THE ISSUANCE OF BONDS DOES NOT DIRECTLY, INDIRECTLY, OR
4 CONTINGENTLY OBLIGATE THE STATE OR ITS POLITICAL SUBDIVISIONS:

5 (1) TO IMPOSE OR PLEDGE A TAX TO PAY THE BONDS; OR

6 (2) TO MAKE AN APPROPRIATION TO PAY THE BONDS.

7 (D) NOTHING IN THIS SUBTITLE PROHIBITS AN AUTHORITY FROM
8 PLEDGING ITS FULL FAITH AND CREDIT IN CONNECTION WITH THE ISSUANCE OF
9 BONDS.

10 **76.**

11 (A) AN AUTHORITY MAY:

12 (1) FIX AND COLLECT RATES, RENTS, FEES, AND CHARGES
13 RELATED TO A PROJECT AND FOR THE SERVICES RELATED TO A PROJECT; AND

14 (2) CONTRACT WITH ANY PERSON OR GOVERNMENTAL ENTITY TO
15 EXERCISE ITS AUTHORITY UNDER THIS SECTION.

16 (B) THE RATES, RENTS, FEES, AND CHARGES ESTABLISHED BY AN
17 AUTHORITY UNDER THIS SECTION SHALL BE FIXED AND ADJUSTED SO THAT THE
18 AGGREGATE AMOUNT OF THE RATES, RENTS, FEES, AND CHARGES FROM THE
19 PROJECT, WHEN ADDED TO OTHER AVAILABLE MONEY, IS SUFFICIENT TO:

20 (1) PAY FOR THE EXPENSES OF THE PROJECT;

21 (2) PAY THE PRINCIPAL OF AND THE INTEREST ON THE BONDS
22 THAT THE AUTHORITY ISSUED FOR THE PROJECT AS THEY BECOME DUE AND
23 PAYABLE; AND

24 (3) CREATE AND MAINTAIN RESERVES REQUIRED OR PROVIDED
25 FOR IN A TRUST AGREEMENT.

26 (C) THE RATES, RENTS, FEES, AND CHARGES ESTABLISHED BY AN
27 AUTHORITY UNDER THIS SECTION ARE NOT SUBJECT TO SUPERVISION OR
28 REGULATION BY ANY UNIT OF THE STATE OTHER THAN THE AUTHORITY.

29 **77.**

1 **(A) (1) ANY PLEDGE OF REVENUES AND OTHER MONEY UNDER § 71(I)**
2 **OF THIS SUBTITLE IS VALID AND BINDING FROM THE TIME THE PLEDGE IS**
3 **MADE.**

4 **(2) (I) THE REVENUE OR MONEY THAT AN AUTHORITY**
5 **PLEDGES AND RECEIVES IS SUBJECT IMMEDIATELY TO THE LIEN OF THE**
6 **PLEDGE.**

7 **(II) NEITHER PHYSICAL DELIVERY OF THE REVENUE OR**
8 **MONEY NOR ANY OTHER ACT IS REQUIRED TO VALIDATE THE LIEN.**

9 **(3) THE LIEN OF THE PLEDGE IS VALID AND BINDING AGAINST**
10 **EACH PARTY WITH A CLAIM AGAINST THE AUTHORITY IN TORT, CONTRACT, OR**
11 **OTHERWISE, REGARDLESS OF WHETHER THE PARTY HAS NOTICE OF THE LIEN.**

12 **(B) THE TRUST AGREEMENT AND ANY OTHER AGREEMENT OR LEASE**
13 **CREATING A PLEDGE UNDER THIS SECTION NEED NOT BE FILED OR RECORDED,**
14 **EXCEPT IN THE RECORDS OF THE AUTHORITY.**

15 **78.**

16 **(A) PROCEEDS FROM THE SALE OF BONDS AND OTHER REVENUES**
17 **RECEIVED UNDER THIS SUBTITLE ARE TRUST FUNDS TO BE HELD AND APPLIED**
18 **SOLELY AS PROVIDED IN THIS SUBTITLE.**

19 **(B) (1) EACH OFFICER, BANK, OR TRUST COMPANY THAT RECEIVES**
20 **TRUST MONEY FROM AN AUTHORITY UNDER THIS SUBTITLE SHALL ACT AS**
21 **TRUSTEE OF THE MONEY AND SHALL HOLD AND APPLY THE MONEY FOR THE**
22 **PURPOSES SPECIFIED UNDER THIS SUBTITLE.**

23 **(2) THE OFFICER, BANK, OR TRUST COMPANY HOLDING MONEY IS**
24 **SUBJECT TO:**

25 **(I) ANY REGULATION ADOPTED UNDER THIS SUBTITLE;**
26 **AND**

27 **(II) THE RESOLUTION AUTHORIZING THE ISSUANCE OF**
28 **BONDS OR THE TRUST AGREEMENT.**

29 **79.**

30 **(A) (1) AN AUTHORITY MAY ISSUE BONDS TO REFUND OUTSTANDING**
31 **BONDS OF THE AUTHORITY, INCLUDING PAYING:**

1 **(I) ANY REDEMPTION PREMIUM;**

2 **(II) INTEREST ACCRUED OR TO ACCRUE TO THE DATE OF**
3 **REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS; AND**

4 **(III) IF CONSIDERED ADVISABLE BY THE AUTHORITY, ANY**
5 **PART OF THE COST OF ACQUIRING OR IMPROVING PROPERTY AS PART OF A**
6 **PROJECT.**

7 **(2) REFUNDING BONDS MAY BE ISSUED FOR ANY CORPORATE**
8 **PURPOSE, INCLUDING:**

9 **(I) REALIZING SAVINGS IN THE EFFECTIVE COSTS OF DEBT**
10 **SERVICE, DIRECTLY OR THROUGH A DEBT RESTRUCTURING; OR**

11 **(II) ALLEVIATING A POTENTIAL OR ACTUAL DEFAULT.**

12 **(B) A REFUNDING BOND THAT AN AUTHORITY ISSUES UNDER THIS**
13 **SECTION SHALL BE ISSUED IN THE SAME MANNER AND IS SUBJECT TO THIS**
14 **SUBTITLE TO THE SAME EXTENT AS ANY OTHER BOND.**

15 **(C) AN AUTHORITY MAY ISSUE REFUNDING BONDS IN ONE OR MORE**
16 **SERIES IN AN AMOUNT GREATER THAN THE AMOUNT OF THE BONDS TO BE**
17 **REFUNDED.**

18 **80.**

19 **(A) AN AUTHORITY MAY ISSUE NEGOTIABLE BOND ANTICIPATION**
20 **NOTES IN ANTICIPATION OF THE SALE OF BONDS FOR ANY CORPORATE**
21 **PURPOSE.**

22 **(B) BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION SHALL**
23 **BE ISSUED IN THE SAME MANNER AS BONDS.**

24 **(C) BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION AND THE**
25 **RESOLUTION AUTHORIZING THEM MAY CONTAIN ANY PROVISIONS, CONDITIONS,**
26 **OR LIMITATIONS THAT MAY BE INCLUDED IN A TRUST AGREEMENT.**

27 **(D) AN AUTHORITY MAY ISSUE BOND ANTICIPATION NOTES TO PAY ANY**
28 **OTHER BOND ANTICIPATION NOTES.**

29 **(E) BOND ANTICIPATION NOTES SHALL BE PAID FROM:**

30 **(1) REVENUES OF THE AUTHORITY;**

1 **(2) MONEY AVAILABLE AND NOT OTHERWISE PLEDGED; OR**

2 **(3) THE PROCEEDS OF THE SALE OF THE BONDS IN ANTICIPATION**
3 **OF WHICH THE NOTES WERE ISSUED.**

4 **81.**

5 **(A) AN AUTHORITY SHALL CONVEY TITLE TO PROPERTY RELATING TO A**
6 **PROJECT AND RELEASE COLLATERAL IN ACCORDANCE WITH THIS SECTION**
7 **WHEN THE FOLLOWING CONDITIONS ARE MET:**

8 **(1) (I) THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED TO**
9 **FINANCE THE PROJECT, INCLUDING ANY REFUNDING BONDS, HAVE BEEN FULLY**
10 **PAID AND RETIRED; OR**

11 **(II) ADEQUATE PROVISION HAS BEEN MADE TO FULLY PAY**
12 **AND RETIRE THE BONDS;**

13 **(2) ALL OTHER CONDITIONS OF THE TRUST AGREEMENT HAVE**
14 **BEEN SATISFIED; AND**

15 **(3) THE LIEN OF THE TRUST AGREEMENT HAS BEEN RELEASED.**

16 **(B) ON SATISFACTION OF THE CONDITIONS UNDER SUBSECTION (A) OF**
17 **THIS SECTION, AN AUTHORITY PROMPTLY SHALL EXECUTE ANY DEEDS,**
18 **CONVEYANCES, RELEASES, AND DOCUMENTS AND TAKE ANY OTHER ACTION**
19 **NECESSARY TO CONVEY TITLE TO THE PROPERTY AND RELEASE COLLATERAL**
20 **FREE OF ALL LIENS AND ENCUMBRANCES CREATED THROUGH THE AUTHORITY.**

21 **82.**

22 **(A) A BONDHOLDER, A HOLDER OF ANY COUPONS ATTACHED TO BONDS,**
23 **OR A TRUSTEE UNDER A TRUST AGREEMENT SECURING THE BONDS MAY SUE:**

24 **(1) TO PROTECT AND ENFORCE RIGHTS UNDER LAWS OF THE**
25 **STATE OR A TRUST AGREEMENT; AND**

26 **(2) TO ENFORCE AND COMPEL THE PERFORMANCE OF DUTIES BY**
27 **AN AUTHORITY OR ITS OFFICER, EMPLOYEE, OR AGENT THAT THIS SUBTITLE OR**
28 **A TRUST AGREEMENT REQUIRES, INCLUDING FIXING AND COLLECTING RATES,**
29 **RENTS, FEES, AND CHARGES THAT THE TRUST AGREEMENT REQUIRES TO BE**
30 **FIXED AND COLLECTED.**

1 **(B) THE RIGHTS UNDER THIS SECTION ARE SUBJECT TO ANY TRUST**
2 **AGREEMENT.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2010.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.